



Staff Report

PUBLIC HEARING TO AMEND THE UNIFORM FRANCHISE AGREEMENT WITH BFI WASTE SYSTEMS OF NORTH AMERICA INC. TO REQUIRE A VEHICLE IMPACT FEE

Honorable Mayor and Council Members:

Summary

The imposition of a \$100,000 vehicle impact fee on refuse vehicles was part of the FY05 Budget Correction Strategy. The Mid Year Review for the FY 05 Budget contains an analysis and recommendation to approve an annual assessment of \$110,000 on BFI refuse and recycling vehicles to compensate the City for damage to street pavement. A recently completed vehicle impact study shows that these heavy vehicles cause wear and tear on City streets ranging from \$45,000 to \$243,000 each year. Staff recommends Council adopt the attached resolution imposing a vehicle impact fee as part of the FY 2005 Budget Mid Year Review.

Background

The City of Belmont provides refuse service to all residential and commercial customers through a franchise agreement with BFI Waste Systems of North America, Inc. (BFI). BFI provides weekly pickup of solid waste with refuse vehicles and biweekly pickup of recyclable waste and plant material/yard waste. Each type of waste is collected in a specialized truck with loaded weights ranging from 25 to 32 tons.

Belmont streets are constructed of structural layers of asphaltic concrete (asphalt tar and aggregate) placed over compacted aggregate (gravel) over compacted base (soil). This type of construction is known as flexible pavement because it deflects each time it is loaded. Loading and deflection stress the adherence of the asphalt to the aggregate and shift and compress the underlying base material. Repeated loadings cause flexible pavements to fail, resulting in cracks, ruts and potholes.

Loaded refuse vehicle create a disproportionate amount of damage to Belmont street pavement. The impact of one loaded refuse vehicle is about the same as 500 passenger cars. Trucks in general are only about 5 percent of traffic on Belmont local roads, yet they produce about 95 percent of the damage attributable to loading. According to the study conducted by Hilton, Farnkopf and Hobson (HFH), in Belmont, the subset of garbage, recycling, and yard waste

trucks produces about 18 percent of the vehicle impact damage to local streets.

Council – BFI Vehicle Impact Fee

February 22, 2005

Page 2 of 3

Discussion

As discussed more thoroughly in the companion Mid Year Review Report, City Council approved the fee in the FY 05 Budget. The fee projected recovering \$100,000 per year from BFI. HF&H's study supporting cost recovery ranging from \$45,000 to \$243,000. A copy of the report is attached to the FY 2005 Budget Mid Year Review. Staff recommends assessing a fee of \$110,000.

A public hearing is required to implement the fee. City Council is asked to open the public hearing, hear testimony and consider the fee as discussed during the Joint Meeting with the Finance Commission as part of the FY 05 Mid Year Review.

Fiscal Impact

Annual revenue of \$110,000 derived from this fee will be placed in the Street Maintenance Fund in accordance with the FY05 Budget Correction Strategy D4.

Public Contact

Notice of the public hearing for this item was placed in the San Mateo Times and the agenda was posted as required by law. In addition, BFI was notified of the hearing.

Recommendation

Amend the uniform franchise agreement with BFI Waste Systems of North America Inc. to require a vehicle impact fee beginning in FY 05 of \$110,000 as part of the FY 2005 Budget Mid Year Review.

Alternatives

1. Assess a different fee amount.
2. Take no action.
3. Refer the matter to staff with direction.

Attachments

- A. Resolution Amending the Uniform Franchise Agreement With BFI Waste Systems of North America Inc. to Require a Vehicle Impact Fee.

Respectfully submitted,

Thomas Fil
Finance Director

Daniel Rich
Interim City Manager

RESOLUTION NO. _____

**RESOLUTION AMEND THE UNIFORM FRANCHISE AGREEMENT WITH BFI
WASTE SYSTEMS OF NORTH AMERICA INC. TO REQUIRE A VEHICLE IMPACT
FEE**

WHEREAS, the City Council has determined the need to charge fees for general government, police, recreation, development, engineering, park in-lieu, sewer, storm drainage and other services; and

WHEREAS, Hilton Farnkopf & Hobson completed a comprehensive study of the BFI's impact on residential streets and determined an appropriate fee for cost recovery; and

WHEREAS, City Council has a franchise agreement with BFI that allows for such a fee to be imposed and staff recommends an update to the Master Fee Schedule to ensure that an appropriate fee is charged as follows:

Type		Description	Amount	
Vehicle	Impact	To reflect cost recovery for refuse vehicle	\$110,000	per
Fee		impacts to city streets	annum	

WHEREAS, the City of Belmont desires to have all fees located in one document; and

WHEREAS, a public hearing was held and all objections or protests were heard on the proposed fees.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the above fee be imposed and the Master Fee Schedule amended.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on February 22, 2005 by the following vote:

AYES, COUNCIL MEMBERS:_____

NOES, COUNCIL MEMBERS:_____

ABSTAIN, COUNCIL MEMBERS:_____

ABSENT, COUNCIL MEMBERS:_____

Clerk of the City of Belmont

APPROVED:

Mayor of the City of Belmont